

DAILY MARKETS OVERVIEW

31 DECEMBER 2018

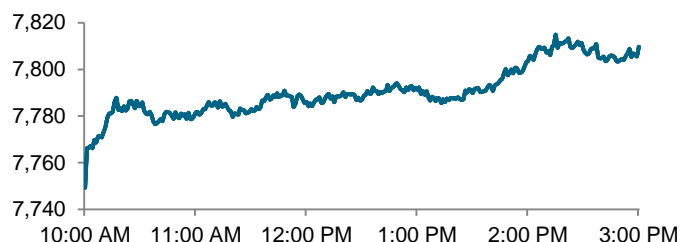
السوق السعودي كابتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	7,810	0.8	0.8	8.1	16.8
Saudi (NOMU)	2,457	0.6	0.6	-21.8	8.2
Energy	4,835	0.4	0.4	13.0	18.3
Materials	5,255	0.9	0.9	4.0	16.2
Capital Goods	3,928	0.5	0.5	-9.5	22.4
Com. & Prof. Svc	4,178	0.2	0.2	-0.7	17.8
Transportation	3,502	0.2	0.2	-12.7	20.3
Cons. Durables & Apparel	3,678	0.3	0.3	-11.2	NA
Consumer Services	2,924	0.6	0.6	-20.6	NA
Media	10,268	0.0	0.0	32.7	NA
Retailing	6,854	0.4	0.4	21.7	32.8
Food & Staples Retailing	5,954	0.5	0.5	6.1	24.2
Food & Beverages	3,864	0.3	0.3	-21.1	NA
Health Care Equipment	3,732	0.3	0.3	-16.0	20.1
Pharma, Biotech & Life Science	3,879	0.5	0.5	-2.3	27.0
Banks	7,177	0.9	0.9	30.5	12.8
Diversified Financials	3,493	1.8	1.8	-13.3	NA
Insurance	4,176	0.8	0.8	-11.6	NA
Telecommunication	5,399	0.5	0.5	27.0	17.9
Utilities	3,366	0.3	0.3	-26.2	NA
REITs	3,623	0.5	0.5	-21.8	NA
Real Estate	3,233	0.6	0.6	-31.2	23.3

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
Red Sea International Co.	16.10	8.1%	21.2
Saudi Advanced Industries Co.	13.20	4.8%	15.2
Ash-Sharqiyah Development Co.	53.40	3.7%	66.9
Al-Baha Investment & Development Co.	24.00	3.6%	35.2
National Company for Learning and Education	21.9	3.4%	23.9

Source: Tadawul

Upcoming General Assembly Meetings

Company	Date
Saudi Paper Manufacturing Co.	31-Dec-18
Al-Baha Investment and Development Co.	8-Jan-19
Basic Chemical Industries Co.	9-Jan-19
United International Transportation Co.	9-Jan-19
Saudi Pharmaceutical Industries and Medical Appliances Corp.	10-Jan-19
Buruj Cooperative Insurance Co.	14-Jan-19

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of December 31, 2018
(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- TASI closed 0.8% higher at 7,810 while NOMU ended 0.6% higher at 2,457 on Sunday. TASI traded value totaled SAR 1.5bn and averaged SAR 2.8bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 32.8% of the daily traded value.
- Banks and Materials ended 0.9% higher. Telecom closed 0.5% higher. Diversified Financials (up 1.8%) was the best performer. Among stocks, Red Sea International Co. (4230/REDSEA AB), Saudi Advanced Industries Co. (2120/SAIC AB), and Ash-Sharqiyah Development Co. (6060/ASACO AB) led the gainers.
- The Saudi Arabian Monetary Authority (SAMA) stated that KSA's foreign reserves declined by around SAR 11.2bn (USD 3.0bn) M/M to SAR 561bn (USD 150bn) in November 2018. (Source: Argaam)
- The Ministry of Finance sold SAR 1.3bn (USD 342mn) worth of domestic sukuk under the government's riyal-denominated sukuk program. (Source: Argaam)
- The SAMA revealed that point-of-sale (POS) transactions in KSA jumped 18% Y/Y to SAR 19.9bn (USD 5.3bn) in November from SAR 16.8bn (USD 4.5bn) a year earlier. A total of 98.4 million transactions were processed through nearly 348,000 POS in shopping malls, retail stores, and pharmacies. (Source: Argaam)
- Jazan Energy and Development Co (6090/GIZACO AB) signed a final purchase agreement with Rawafed Al Hadara Holding Co. and Quintet Co. Ltd. for Shipping & Maintenance to take full control of Bakri International Energy Co. through cash and in-kind consideration. (Source: Argaam)
- National Agriculture Development Co. (6010/NADEC AB) will disclose the financial impact of the country's decision to ban green fodder cultivation in 1Q19. The company is still assessing its crop agricultural plan and the feasibility of transferring its agricultural assets to Sudan. (Source: Argaam)
- National Building and Marketing Co. (9510/NBM AB) offloaded its 65% stake in Scienpharma to Fahad bin Saad Al-Medbal for SAR 23mn (USD 6.1mn). (Source: Argaam)
- Saudi Advanced Industries Co.'s (2120/SAIC AB) BoD recommended a cash dividend of SAR 0.25 per share for the first nine months of 2018, implying a full-year yield of 2.5%. (Source: Argaam)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
Saudi Enaya Cooperative Insurance Co.	20.98	-4.8%	15.4
Saudi Chemical Co.	30.90	-1.3%	0.7
Eastern Province Cement Co.	20.78	-1.1%	7.7
Halwani Bros Co.	46.00	-1.0%	2.9
United International Transportation Co.	26.85	-0.9%	2.3

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Saudi Basic Industries Corp.	116.40	1.2%	136
Alinma Bank	22.74	0.4%	127
Al Rajhi Bank	86.50	0.7%	98
Ash-Sharqiyah Development Co.	53.40	3.7%	67
Saudi Paper Manufacturing Co.	14.20	2.3%	47

Source: Tadawul

DAILY MARKETS OVERVIEW

31 DECEMBER 2018

السوق الفرنسي كابتال
Saudi Fransi Capital
Distinguished Service, Outstanding Performance



GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,470	0.0	0.0	-26.7	8.3
Abu Dhabi (ADX)	4,823	-0.2	-0.2	9.7	13.0
Kuwait (KSE)	5,168	0.2	0.2	0.8	18.2
Qatar (QE)	10,284	0.0	0.0	20.7	15.2
Oman (MSM)	4,341	-0.1	-0.1	-14.9	10.2
Bahrain (BSE)	1,332	0.8	0.8	0.1	8.7
DJMENA Index	554	0.3	0.3	5.2	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,486	-0.1	2.9	-7.0	17.0
US (NASDAQ 100)	6,585	0.1	4.0	-4.6	19.1
UK (FTSE 100)	6,734	2.3	0.2	-12.4	15.5
Germany (DAX)	10,559	1.7	-0.7	-18.3	11.6
France (CAC 40)	4,679	1.7	-0.3	-11.9	14.5
Russia (MICEX)	2,359	1.3	0.5	11.8	5.3
Japan (Nikkei)	20,015	-0.3	-0.8	-12.1	13.9
Hong Kong (HSI)	25,504	0.1	-1.0	-14.8	9.7
South Korea (KOSPI)	2,041	0.6	-1.0	-17.3	9.8
China (SHCOMP)	2,494	0.4	-0.9	-24.6	11.7
India (NIFTY)	10,860	0.7	1.0	3.1	22.0
Brazil (IBOV)	87,887	2.8	2.6	15.0	19.4
Turkey (BIST 100)	90,435	-0.6	-1.6	-21.6	6.6
Egypt (EGX30)	12,984	0.0	-1.2	-13.5	11.7
MSCI Emerging Markets	963	1.1	0.6	-16.9	11.5
MSCI World	1,871	0.5	2.0	-11.1	15.5

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	52.2	0.1	-3.0	-21.9	-21.8
Natural Gas (\$/mmbtu)	3.3	-6.9	-11.9	17.7	8.7
Gold (\$/oz)	1,281	0.4	2.0	-1.9	-1.1
Silver (\$/oz)	15.4	1.0	5.1	-9.8	-8.8
Platinum (\$/oz)	791	-0.7	0.2	-15.1	-14.8
Copper (\$/t)	5,987	0.3	0.3	-16.9	-17.5
Zinc (\$/t)	2,493	-2.5	-2.4	-25.3	-24.9
Lead (\$/mt)	2,033	1.8	3.8	-18.5	-19.1
Wheat (\$/bu)	512	0.2	-0.5	9.8	3.4
Corn (\$/bu)	376	0.3	-0.8	-2.2	-4.9
Sugar (\$/lb)	12.4	1.1	0.4	-18.5	-20.5

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	2.80	-0.01	1.10	0.00
Saudi Arabia	2.98	0.00	1.08	0.18
UAE	2.93	-0.02	1.14	0.14
Kuwait	2.31	0.00	0.44	-0.48
Qatar	2.92	-0.02	0.27	0.12
Bahrain	3.95	0.00	1.23	1.15

Source: Reuters

NOTES: (1) Prices updated as of December 31, 2018 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- The global markets were closed for trading on Sunday.
- Asian markets are trading higher on Monday. China, Japan and South Korea are closed for trading. Hong Kong is up 1.2% and India is trading 0.4% higher.
- GCC markets ended mixed on Sunday. Dubai ended flat while Abu Dhabi closed 0.2% lower. Kuwait gained 0.2% while Qatar ended flat. Oman was down 0.1% and Bahrain closed 0.8% higher.
- Kuwait Fund for Arab Economic Development signed an agreement with Tunisian government authorities for key infrastructure development projects in the capital Tunis. As per the deal, the Kuwait Fund will provide a loan of KWD 30mn (USD 98.4mn) to help finance the Rehabilitation of Rullar Roads Project, which involves rehabilitation and asphaltting of about 912 km of rural roads. (Source: Trade Arabia)
- Dubai Electricity and Water Authority (DEWA) stated that construction work on the fourth phase of the Mohammed bin Rashid Al Maktoum Solar Park has advanced further with the completion of 128 pillars of the project's solar tower. (Source: Zawya)
- Oman's Public Establishment for Industrial Estates (Madayn) signed an agreement with Oman Investment and Development Holding Company (Mubadrah) for the latter to manage and develop the Rusayl Industrial City. (Source: Trade Arabia)
- Bahrain's Ministry of Works, Municipalities Affairs and Urban Planning revealed that work is progressing at a steady pace on the BHD 1.8mn (USD 4.7mn) Busaiteen Waterfront Development, with over 25% of the project already completed. (Source: Trade Arabia)
- Director General of the General Civil Aviation Authority (GCAA) revealed that UAE aviation sector is experiencing rapid growth, propelled by growing middle class and low fares, as well as investments, estimated to total AED 1.0tn (USD 272.2bn). (Source: Trade Arabia)
- Dana Gas (DANA UH) has received an additional payment of USD 44.3mn (AED 163mn) from its operations in Egypt. The payment is made up of an additional USD 35mn (AED 129mn) industry payment from the government and USD 9.3mn (AED 34mn) from the sale of 157,350 barrels of El Wastani condensate. (Source: Trade Arabia)
- ADNOC Distribution launched a "premium vehicle inspection" service at the Muroor Vehicle Inspection Centre in Abu Dhabi. The premium service will allow customers to avoid long waiting times and avail of a fast-tracking option during their vehicle's inspection process. (Source: Arabian Business)

Coming Up

- China's Manufacturing PMI for December 2018 (prior: 50.2) will be announced tomorrow. (Source: Econoday)
- US jobless claims for the week ended December 29 (prior: 216K; consensus: 213K) will be announced on January 3. (Source: Econoday)
- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended December 28 (prior: 0.0mn barrels) will be announced on January 4. (Source: Econoday)



Contacts

RESEARCH & ADVISORY

Research&Advisory@FransiCapital.com.sa

SAUDI FRANSI CAPITAL

Call Centre

800-125-9999

Website

www.sfc.sa

SAUDI FRANSI CAPITAL (CLOSED JOINT STOCK COMPANY OWNED BY BANQUE SAUDI FRANSI)

Licensed by the Capital Market Authority to conduct all securities business activities. license Number 11153-37

C.R. 1010231217 - Paid Up Capital 500,000,000 S.R.

Head Office: 8092 King Fahd Road - Riyadh 12313-3735 - Kingdom of Saudi Arabia

Mailing Address: P.O. Box 23454 - Riyadh 11426

Tel: +966 11 282 6666 - Fax: +966 11 282 6667

Disclaimer

The information in this report was prepared for the purpose of viewing public information only. This information was gathered in this report from various public sources believed to be reliable. Whilst all reasonable care has been taken to ensure that the facts, the forecasts, and expectations contained in this report are accurate. Saudi Fransi Capital makes no representations or warranties whatsoever as to the accuracy of the data and information provided and, in particular, Saudi Fransi Capital is not held responsible that the information in this report is complete or free from any error.

This report is not considered to be construed as, an offer or solicitation of an offer to buy or to sell any financial securities or adapt an investment or trading method. Saudi Fransi Capital accepts no liability whatsoever for any loss arising from any use of this report or its contents.

This report provides information of a general nature and is not intended to provide investment advice and does not take into account the reader's financial situation or any specific investment objectives which the reader may have. Before making any investment decision, the reader should seek an independent advice from his financial advisor due to the investment in such kind of securities may not be suitable for all.